



## **DEPARTMENT OF ENERGY**

### **Federal Energy Regulatory Commission**

#### **18 CFR Part 40**

**[Docket No. RM19-20-000]**

#### **WECC Regional Reliability Standard BAL-002-WECC-3 (Contingency Reserve)**

**AGENCY:** Federal Energy Regulatory Commission.

**ACTION:** Final action.

**SUMMARY:** The Federal Energy Regulatory Commission (Commission) approves regional Reliability Standard BAL-002-WECC-3 (Contingency Reserve) submitted jointly by the North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization, and the Western Electricity Coordinating Council (WECC). In addition, the Commission directs NERC and WECC to submit an informational filing.

**DATES:** This final action is effective **[INSERT DATE 60 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

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#### **SUPPLEMENTARY INFORMATION:**

1. Pursuant to section 215(d)(2) of the Federal Power Act (FPA), the Commission approves regional Reliability Standard BAL-002-WECC-3 (Contingency Reserve). The North American Electric Reliability Corporation (NERC), the Commission-certified Electric Reliability Organization (ERO), and Western Electricity Coordinating Council (WECC) jointly submitted the regional Reliability Standard to the Commission for approval. Additionally, as discussed below, the Commission directs NERC and WECC to submit an informational filing 30 months following implementation of regional Reliability Standard BAL-002-WECC-3.

2. Regional Reliability Standard BAL-002-WECC-3 applies to balancing authorities and reserve sharing groups in the Western Interconnection, and it specifies the quantity and types of contingency reserves required to ensure reliability under normal and abnormal conditions.<sup>1</sup> Regional Reliability Standard BAL-002-WECC-3 eliminates Requirement R2 from the prior version because, as discussed in the joint petition, the implementation of the continent-wide Reliability Standard BAL-003-1.1 (Frequency Response and Frequency Bias Setting), Requirement R1 makes Requirement R2

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<sup>1</sup> Reserve sharing group is defined in the Glossary of Terms Used in NERC Reliability Standards (NERC Glossary) as, “[a] group whose members consist of two or more Balancing Authorities that collectively maintain, allocate, and supply operating reserves required for each Balancing Authority’s use in recovering from contingencies within the group. ...”

redundant.<sup>2</sup> Based on Requirement R1 of the continent-wide Reliability Standard BAL-003-1.1 and the results of field tests NERC and WECC conducted to assess the potential impact of the retirement of regional Reliability Standard BAL-002-WECC-2a, Requirement R2 on contingency reserves in the Western Interconnection, the Commission approves regional Reliability Standard BAL-002-WECC-3 and the retirement of the currently-effective version of the regional Reliability Standard.

3. In addition, as proposed in the notice of proposed rulemaking (NOPR), the Commission believes it is appropriate to monitor the potential impacts of retiring Requirement R2 to ensure that this action does not adversely impact the adequacy of contingency reserves in the Western Interconnection.<sup>3</sup> Therefore, as discussed below, the Commission directs NERC and WECC to submit an informational filing 30 months following implementation of regional Reliability Standard BAL-002-WECC-3 that addresses the adequacy of contingency reserves in the Western Interconnection.

## **I. Background**

### **A. Section 215 and Regional Reliability Standards**

4. Section 215 of the FPA requires a Commission-certified ERO to develop mandatory and enforceable Reliability Standards that are subject to Commission review

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<sup>2</sup> Reliability Standard BAL-003-1.1, Requirement R1 became effective on April 1, 2016.

<sup>3</sup> *WECC Regional Reliability Standard BAL-002-WECC-3 (Contingency Reserve)*, Notice of Proposed Rulemaking, 85 FR 68809 (Oct. 30, 2020), 173 FERC ¶ 61,032, at P 3 (2020) (NOPR).

and approval.<sup>4</sup> Once approved, the Reliability Standards may be enforced by NERC, subject to Commission oversight, or by the Commission independently.<sup>5</sup>

5. A Regional Entity may develop a regional Reliability Standard for Commission approval to be effective in that region only.<sup>6</sup> In Order No. 672, the Commission stated that as a general matter, we will accept the following two types of regional differences, provided they are otherwise just, reasonable, not unduly discriminatory or preferential and in the public interest, as required under the statute: (1) a regional difference that is more stringent than the continent-wide Reliability Standard, including a regional difference that addresses matters that the continent-wide Reliability Standard does not; and (2) a regional Reliability Standard that is necessitated by a physical difference in the Bulk-Power System.<sup>7</sup>

While a Regional Entity may propose regional Reliability Standards that address specific, unique regional conditions and circumstances, such regional Reliability Standards can be retired if those justifications are no longer relevant. Accordingly, the Commission may approve retirement of a more stringent regional requirement “if the Regional Entity

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<sup>4</sup> 16 U.S.C. 824o.

<sup>5</sup> 16 U.S.C. 824o(e).

<sup>6</sup> 16 U.S.C. 824o(e)(4). A Regional Entity is an entity that has been approved by the Commission to enforce Reliability Standards under delegated authority from the ERO. *See* 16 U.S.C. 824o(a)(7) and (e)(4). On April 19, 2007, the Commission accepted delegation agreements between NERC and eight Regional Entities, including WECC. *North American Electric Reliability Corp.*, 119 FERC ¶ 61,060, *order on reh’g*, 120 FERC ¶ 61,260 (2007).

<sup>7</sup> *Rules Concerning Certification of the Electric Reliability Organization; and Procedures for the Establishment, Approval and Enforcement of Electric Reliability Standards*, Order No. 672, 71 FR 8662 (Feb. 17, 2006), 114 FERC ¶ 61,104, at P 291, *order on reh’g*, Order No. 672-A, 71 FR 19814 (April 18, 2006), 114 FERC ¶ 61,328 (2006).

demonstrates that the continent-wide Reliability Standard is sufficient to ensure the reliability of that region.”<sup>8</sup>

**B. Regional Reliability Standard BAL-002-WECC-2**

6. On November 21, 2013, the Commission approved regional Reliability Standard BAL-002-WECC-2, specifying the quantity and types of contingency reserve required to ensure reliability under normal and abnormal conditions.<sup>9</sup> Regional Reliability Standard BAL-002-WECC-2 is more stringent than continent-wide Reliability Standard BAL-002-1 because the regional Reliability Standard requires applicable entities to restore contingency reserve within 60 minutes following an event requiring the activation of contingency reserve, 30 minutes less than the 90 minutes allowed by the continent-wide Reliability Standard.<sup>10</sup> In addition, the method for calculating minimum contingency reserve in the regional Reliability Standard is more stringent than Requirement R3.1 in Reliability Standard BAL-002-1, because it requires minimum contingency reserve levels that will be at least equal to the Reliability Standard minimum (i.e., equal to the most severe single contingency) and more often will be greater.<sup>11</sup>

**C. Reliability Standard BAL-003-1**

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<sup>8</sup> *Version One Regional Reliability Standard for Resource and Demand Balancing*, Order No. 740, 75 FR 65964 (Oct. 27, 2010), 133 FERC ¶ 61,063, P 30 (2010).

<sup>9</sup> *Regional Reliability Standard BAL-002-WECC-2*, Order No. 789, 145 FERC ¶ 61,141 (2013). On January 24, 2017, by delegated letter order, the Commission approved regional Reliability Standard BAL-002-WECC-2a, which added an interpretation to Requirement R2. *North American Electric Reliability Corporation*, Docket. No. RD17-3-000 (Jan. 24, 2017) (delegated order).

<sup>10</sup> Reliability Standard BAL-002-3, approved on September 25, 2018, is the current version of the continent-wide Reliability Standard. *North American Electric Reliability Corp.*, Docket No. RD18-7-000 (Sep. 25, 2018) (delegated letter order).

<sup>11</sup> Order No. 789, 145 FERC ¶ 61,141 at P 26.

7. Reliability Standard BAL-003-1 (Frequency Response and Frequency Bias Setting) addressed Commission directives, during the approval of Reliability Standard BAL-003-0 (Frequency Response and Bias), issued in Order No. 693.<sup>12</sup> The Commission directed NERC to modify Reliability Standard BAL-003-0 to “define[] the necessary amount of Frequency Response needed for Reliable Operation of each balancing authority with methods of obtaining and measuring that the frequency response is achieved.”<sup>13</sup> On January 16, 2014, the Commission approved continent-wide Reliability Standard BAL-003-1.<sup>14</sup> The Commission explained that Reliability Standard BAL-003-1 defines the amount of frequency response needed from balancing authorities to maintain Interconnection frequency within predefined bounds, and includes requirements for the measurement and provision of frequency response. In particular, Order No. 794 determined that Reliability Standard BAL-003-1 “establishes a minimum Frequency Response Obligation for each balancing authority; provides a uniform calculation of frequency response; establishes Frequency Bias Settings that are closer to actual

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<sup>12</sup> *Mandatory Reliability Standards for the Bulk-Power System*, Order No. 693, 72 FR 16416 (April 4, 2007), 118 FERC 61,218, *order on reh’g*, Order No. 693-A, 120 FERC ¶ 61,053, at P 375 (2007).

<sup>13</sup> *Id.*

<sup>14</sup> *Frequency Response and Frequency Bias Setting Reliability Standard*, Order No. 794, 79 FR 3723 (Jan. 23, 2014), 146 FERC ¶ 61,024 (2014). Reliability Standard BAL-003-1.1 was subsequently approved by delegated letter order on November 13, 2015 and contained non-substantive changes over the prior version, Reliability Standard BAL-003-1. *North American Electric Reliability Corp.*, Docket No. RD15-6-000 (Nov. 13, 2015) (delegated order). Reliability Standard BAL-003-2 was approved by delegated order on July 15, 2020 with modifications in Attachment A (BAL-003-2 Frequency Response and Frequency Bias Setting Standard Supporting Document), which addresses the establishment of the Interconnection frequency response obligation. The requirements in Reliability Standard BAL-003-2 are identical to the previous version, Reliability Standard BAL-003-1.1. *North American Electric Reliability Corp.*, Docket No. RD20-9-000 (Jul. 15, 2020) (delegated order).

balancing authority frequency response; and encourages coordinated automatic generation control operation.”<sup>15</sup>

**D. NERC and WECC Joint Petition**

8. On September 6, 2019, NERC and WECC submitted a joint petition seeking approval of proposed regional Reliability Standard BAL-002-WECC-3, the associated violation risk factors and violation severity levels, effective date, and implementation plan.<sup>16</sup> The joint petition also requests retirement of the currently-effective regional Reliability Standard BAL-002-WECC-2a.

9. In the joint petition, NERC and WECC explain that the principal modification in the proposed regional Reliability Standard is the retirement of Requirement R2 in currently-effective regional Reliability Standard BAL-002-WECC-2a. Requirement R2 provides that balancing authorities and reserve sharing groups in the WECC Region “shall maintain at least half of its minimum amount of Contingency Reserve identified in Requirement R1, as Operating Reserve – Spinning.” NERC and WECC maintain that the 50 percent minimum contingency reserve amount was carried forward from the Reliability Management System of WECC’s predecessor, the Western Systems Coordinating Council, and is no longer relevant.

10. NERC and WECC contend that continent-wide Reliability Standard BAL-003-1.1 “helps ensure that sufficient Frequency Response is provided to maintain Interconnection frequency in support of the reliable operation of the Interconnection,” and therefore

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<sup>15</sup> Order No. 794, 146 FERC ¶ 61,024 at P 22.

<sup>16</sup> Regional Reliability Standard BAL-002-WECC-3 is not attached to this final action. The regional Reliability Standard is available on the Commission’s eLibrary document retrieval system in the identified docket and on the NERC website, [www.nerc.com](http://www.nerc.com).

renders regional Reliability Standard BAL-002-WECC-2a, Requirement R2 “redundant and no longer needed for reliability in the Western Interconnection.”<sup>17</sup> NERC and WECC assert that Reliability Standard BAL-003-1.1 “addresses the same frequency response components covered in currently effective Regional Reliability Standard BAL-002-WECC-2a Requirement R2 but in a results-based manner.”<sup>18</sup>

11. In particular, NERC and WECC state that Reliability Standard BAL-003-1.1, Requirement R1 requires that balancing authorities (or groups of balancing authorities known as frequency response sharing groups) “achieve an annual Frequency Response Measure that is equal to or more negative than its Frequency Response Obligation to ensure that it is providing sufficient Frequency Response.”<sup>19</sup> Moreover, NERC and WECC explain that retention of the regional minimum operating reserve – spinning requirement, alongside the continent-wide frequency response requirement, could lead to confusion and the procurement of more spinning reserves than necessary for entities to meet their frequency response obligation, thereby increasing costs without providing additional reliability benefits.<sup>20</sup>

12. NERC and WECC also state that to evaluate the potential reliability impacts of retiring Requirement R2, WECC conducted a field test from May 1, 2017 through April 30, 2018, obtaining data from each balancing authority and each reserve sharing group.<sup>21</sup>

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<sup>17</sup> Joint Petition at 4.

<sup>18</sup> *Id.* at 13.

<sup>19</sup> *Id.* at 4.

<sup>20</sup> *Id.* at 12-13.

<sup>21</sup> *Id.* at 13. A report containing the results of the field test is appended to the joint petition as Exhibit C. Joint Petition, Exhibit C (Field Test Results, WECC-0115 BAL-002-WECC-2a Request to Retire Requirement R2).



NERC and WECC explain that the field test measured the effect of retiring Requirement R2 using two metrics: disturbance control standard (DCS) performance and frequency response in the Western Interconnection.<sup>22</sup> The first metric measured, for each reportable DCS event,<sup>23</sup> whether an entity was unable to meet the contingency event recovery period. The second metric monitored system performance for any loss of resources greater than 700 MW and for any adverse effects on frequency response.<sup>24</sup>

13. NERC and WECC assert that “analysis of the data demonstrates that all 66 DCS events occurring during the field test period had a 100 percent pass rate, showing no degradation to DCS performance. Entities carried and deployed enough reserves for post disturbance Area Control Area recovery.”<sup>25</sup> NERC and WECC also note that the 2018 NERC State of Reliability Report indicates that frequency response performance “did not degrade in the Western Interconnection during the field test period.”<sup>26</sup>

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<sup>22</sup> Disturbance control standard is defined in the NERC Glossary as, “[t]he reliability standard that sets the time limit following a Disturbance within which a Balancing Authority must return its Area Control Error to within a specified range.” *See also* Joint Petition, Exhibit C at 5.

<sup>23</sup> We understand the reference to “reportable DCS event” in the joint petition corresponds to the NERC Glossary term “Reportable Balancing Contingency Event” that appears in Reliability Standard BAL-002-3. The NERC Glossary defines Reportable Balancing Contingency Event as: “[a]ny Balancing Contingency Event occurring within a one-minute interval of an initial sudden decline in ACE based on EMS scan rate data that results in a loss of MW output less than or equal to the Most Severe Single Contingency, and greater than or equal to the lesser amount of: (i) 80% of the Most Severe Single Contingency, or (ii) the amount listed below for the applicable Interconnection. Prior to any given calendar quarter, the 80% threshold may be reduced by the responsible entity upon written notification to the Regional Entity. (Eastern Interconnection – 900 MW, Western Interconnection – 500 MW, ERCOT – 800 MW, and Quebec – 500 MW).”

<sup>24</sup> Joint Petition at 13-14.

<sup>25</sup> *Id.* at 14.

<sup>26</sup> *Id.* at 15.

14. Notwithstanding the elimination of Requirement R2, NERC and WECC assert that proposed regional Reliability Standard BAL-002-WECC-3 retains the other existing requirements because they are needed to maintain reliability and “continue[] to represent a more stringent set of requirements for entities in the Western Interconnection than those found in the continent-wide disturbance control standard, Reliability Standard BAL-002-3.”<sup>27</sup>

15. To supplement the field test data provided in the joint petition, on February 18, 2020, the Director of the Office of Electric Reliability issued a data request to NERC and WECC seeking: (1) data for the remainder of the field test term not provided in the joint petition (i.e., from May 1, 2018 to September 30, 2019); and (2) supporting data for NERC’s frequency response metric (Metric M-4) pertaining to the Western Interconnection during the field test period (i.e., from May 1, 2017 to September 30, 2019). In addition, NERC and WECC were asked to provide the amount of spinning reserve above or below 50 percent during non-event times on an hourly basis from the beginning of the field test period (May 1, 2017) through September 30, 2019.<sup>28</sup>

16. On May 18, 2020, NERC and WECC submitted data in response to the February 18 data request, indicating results that were generally consistent with the results presented in the field test report. The additional data provided a complete record for the joint petition.

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<sup>27</sup> *Id.* at 10.

<sup>28</sup> According to Measure M2, “Each Balancing Authority and each Reserve Sharing Group will have dated documentation that demonstrates it maintained at least half of the Contingency Reserve identified in Requirement R1 as Operating Reserve – Spinning, averaged over each Clock Hour, that met both of the reserve characteristics identified in Requirement R2, Part 2.1 and Requirement R2, Part 2.2.”

**E. Notice of Proposed Rulemaking**

17. On October 30, 2020, the Commission issued a NOPR proposing to approve regional Reliability Standard BAL-002-WECC-3 as just, reasonable, not unduly discriminatory or preferential, and in the public interest.<sup>29</sup> In addition, the Commission proposed to direct NERC and WECC to submit an informational filing 27 months following implementation of the proposed regional Reliability Standard, stating that it is “appropriate in this case to monitor the potential impacts of retiring Requirement R2 on the adequacy of contingency reserves in the Western Interconnection.”<sup>30</sup> The proposed informational filing would require NERC and WECC to provide an analysis of 24 months of data pertaining to the amount and deliverability of contingency reserves following implementation of the proposed regional Reliability Standard to monitor the potential reliability impacts of retiring Requirement R2 on the adequacy of contingency reserves in the Western Interconnection.

18. In response to the NOPR, the Commission received four sets of comments from NERC and WECC, jointly; Northwest Power Pool Reserve Sharing Group (NWPP RSG); Bonneville Power Administration (BPA); and Southwest Reserve Sharing Group (SRSG). All commenters support the approval of regional Reliability Standard BAL-002-WECC-3. In addition, all commenters raise issues regarding the timing and need for an informational filing, and whether data from individual balancing authorities, as opposed to aggregated data from the reserve sharing group they participate in, is necessary. We address below the issues raised by commenters.

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<sup>29</sup> *WECC Regional Reliability Standard BAL-002-WECC-3 (Contingency Reserve)*, NOPR, 173 FERC ¶ 61,032.

<sup>30</sup> *Id.* at P 3.

## **II. Discussion**

19. Pursuant to FPA section 215(d)(2), the Commission approves WECC regional Reliability Standard BAL-002-WECC-3 as just, reasonable, not unduly discriminatory or preferential, and in the public interest. For applicable entities in the Western Interconnection, regional Reliability Standard BAL-002-WECC-3 eliminates the requirement in the currently-effective version that at least half of the minimum amount of contingency reserve shall be Operating Reserve – Spinning that meets certain reserve characteristics. The justification set forth in the joint petition combined with the field test results support NERC and WECC’s contention that the continent-wide Reliability Standard BAL-003-1.1 renders the existing 50 percent Operating Reserve – Spinning obligation redundant. Additionally, regional Reliability Standard BAL-002-WECC-3, even without Requirement R2, will continue to provide protections beyond those contained in the continent-wide disturbance control Reliability Standard BAL-002-3.

20. We discuss below the following issues raised by commenters: (A) the need for an informational filing; (B) an extension of time to submit the informational filing; and (C) submission of individual balancing authority data.

### **A. Need for Informational Filing**

#### **1. NOPR**

21. In the NOPR, the Commission proposed to direct NERC and WECC to submit an informational filing following the implementation of regional Reliability Standard BAL-002-WECC-3. The NOPR proposed that the informational filing contain for a 24-month period after implementation of the regional Reliability Standard the following categories of data: (1) for any reportable balancing contingency event, the date, time and required amount of contingency reserves at the time of the event, the actual amount of Operating

Reserves – Spinning at the time of the event, and the actual DCS performance; (2) for events involving a loss of 700 MW or greater, whether it is a reportable balancing contingency event or not, the date and time of the event, the name of the resource(s), and the total MW; (3) the amount of spinning reserve above or below 50 percent during non-event times on an hourly basis for twenty-four months following implementation; and (4) supporting data for NERC’s frequency response metric (Metric M-4) as it pertains to the Western Interconnection. The NOPR indicated that the informational filing was necessary to monitor the reliability impacts that the retirement of regional Reliability Standard BAL-002-WECC-2a, Requirement R2 may have on contingency reserves in the Western Interconnection.

22. In addition to the data categories identified above, the NOPR proposed that NERC and WECC provide: (1) the DCS performance - as described in request (1) in the paragraph above - on an individual balancing authority basis; and (2) the hourly amount of contingency reserve and the fraction of that contingency reserve that is classified as spinning for each hour by balancing authority (not reserve sharing group).<sup>31</sup> The NOPR stated that this data is necessary to assess the amount of contingency reserves held by each balancing authority within a reserve sharing group, because the contingency reserve data provided for a reserve sharing group are the aggregated sum of the contingency reserves of the participating balancing authorities.

## **2. Comments**

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<sup>31</sup> As clarified in the discussion below, member balancing authorities should report for those events that meet the Reportable Balancing Contingency Event threshold for their respective reserve sharing groups. In addition, the contingency event recovery data can specify individual member balancing authority contingency reserve data plus contingency reserves from the reserve sharing group, if any.

23. SRSG supports requiring an informational filing, and NERC/WECC do not oppose an informational filing. BPA and NWPP RSG, however, maintain that the proposed informational filing is not necessary to understand the impacts of retiring Requirement R2. BPA and NWPP RSG contend that WECC has “provided similar data to the Commission for the past two years ... [and] the data already submitted shows that BAL-002-WECC-3 will not have adverse effects on Contingency Reserves in the Western Interconnection.”<sup>32</sup>

### 3. Commission Determination

24. As explained in the NOPR, it is important to monitor the reliability impacts that the retirement of Requirement R2 may have on contingency reserves in the Western Interconnection.<sup>33</sup> We agree that the data already provided to the Commission supports the retirement of Requirement R2 from the currently-effective Reliability Standard. However, we believe that a post-implementation informational filing is a prudent measure to confirm that the retirement of Requirement R2 from the existing regional Reliability Standard has not resulted in any unexpected, adverse impacts on contingency reserves.<sup>34</sup>

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<sup>32</sup> BPA Comments at 2; *see also* NWPP RSG Comments at 3.

<sup>33</sup> NOPR, 173 FERC ¶ 61,032 at P 19.

<sup>34</sup> *See Real Power Balancing Control Performance Reliability Standard*, Order No. 810, 80 FR 22395 (Apr. 22, 2015), 151 FERC ¶ 61,048, at P 20 (2015) (directing an informational filing to assess the impact of implementing Reliability Standard BAL-001-2); *see also* Order No. 794, 146 FERC ¶ 61,024 at P 60 (directing entities to report on resources available to each balancing authority and Frequency Response Sharing Group to meet its Frequency Response Obligation because the “new methodology for determining the Frequency Response Obligation and the results when applied are not yet known...[and] the ability of balancing authorities and Frequency Response Sharing Groups to meet the obligation is untested.”).

**B. Extension of Time to Submit Informational Filing**

**1. NOPR**

25. In the NOPR, the Commission proposed to direct NERC and WECC to submit the informational filing 27 months following implementation of regional Reliability Standard BAL-002-WECC-3.

**2. Comments**

26. NERC and WECC contend that the 27-month deadline proposed in the NOPR is insufficient because it provides NERC and WECC with only three months to analyze the 24 months of data before submitting the informational filing. Therefore, NERC and WECC seek an additional three months, or a 30-month deadline for submission of the informational filing. NERC and WECC reiterate that they would, under any circumstances, promptly make the Commission aware of any adverse impacts resulting from the retirement of Requirement R2 prior to submission.

**3. Commission Determination**

27. Based on NERC and WECC's concern that the 27-month deadline proposed in the NOPR provides them with only three months to analyze the data and submit the informational filing, we will extend the deadline for submission of the informational filing by an additional three months. Accordingly, we direct NERC and WECC to submit the informational filing 30 months following implementation of regional Reliability Standard BAL-002-WECC-3.

**C. Submission of Individual Balancing Authority Data**

**1. NOPR**

28. As described above, the NOPR proposed that NERC and WECC provide certain data on a balancing authority level in the informational filing.

## **2. Comments**

29. All four commenters raise concerns with the NOPR's proposal to require certain data to be submitted by individual balancing authority. NERC and WECC caution that analyzing data on a balancing authority basis "may not present a complete and accurate picture of conditions in the Western Interconnection."<sup>35</sup> NERC and WECC explain that a U.S.-based balancing authority "may, through a Reserve Sharing Group, rely on spinning reserves carried by a Balancing Authority that is located outside the United States . . . [thus] NERC and WECC may only be able to provide U.S. Balancing Authority information and Reserve Sharing Group information that represents only the U.S. portion of the Reserve Sharing Group."<sup>36</sup>

30. SRSG asserts that reserve sharing group data provides "sufficient information to address adequacy of contingency reserves and the impact of the retirement of R2 on reliability, particularly when coupled with an analysis of BAL-003 and M4 events."<sup>37</sup> BPA adds that reporting by reserve sharing group "ensures that the Commission receives an accurate depiction of the adequacy of Contingency Reserves for the Western Interconnection."<sup>38</sup> BPA states that "[r]equiring data on an individual Balancing Authority level may skew the data, as each Balancing Authority may appear deficient,

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<sup>35</sup> NERC Comments at 5.

<sup>36</sup> *Id.*

<sup>37</sup> SRSG Comments at 1.

<sup>38</sup> BPA Comments at 3.



even though the Reserve Sharing Group met its obligation to provide Contingency Reserves to its members.”<sup>39</sup> BPA also contends that reporting data at the balancing authority level would impose an additional burden without any corresponding benefit.

31. In response to the NOPR’s concerns regarding deliverability of contingency reserves in the Western Interconnection, NWPP RSG states that it addresses deliverability of contingency reserves among its participants through a well-documented operating process, the Northwest Power Pool Reserve Sharing Program Documentation. According to NWPP RSG, the program addresses how balancing authority members can access contingency reserves through an automated Reserve Sharing Computer System that has direct communication to their data and related deployment signals between the computer system and each participating balancing authority. The program defines eight reserve sharing zones in the NWPP RSG area, assigning each a contingency reserve obligation based on constrained inter-zone transmission facilities. When a participating balancing authority is separated from the remaining balancing authorities due to constrained transmission facilities, the effect of the constraint is reflected in the establishment of each reserve sharing zone’s contingency reserve obligation.<sup>40</sup>

32. NWPP RSG contends that the price spike event in March 2019, referenced in the NOPR, did not cause any contingency reserve issues and there was no deliverability issue related to hydroelectric resources. Further, NWPP RSG states that since the inception of the NWPP reserve sharing program in 2001 and the beginning of mandatory compliance

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<sup>39</sup> *Id.*

<sup>40</sup> NWPP RSG Comments at 1-2.

related to the disturbance contingency recovery period in 2007, the NWPP RSG has never failed in event recovery.<sup>41</sup>

33. In addition, NWPP RSG and BPA maintain that the request for information by balancing authority is inconsistent with regional Reliability Standard BAL-002-WECC-3, because balancing authorities are not required to meet DCS recovery or carry contingency reserves. Rather, NWPP RSG states that it has an obligation to meet DCS recovery from a balancing contingency event among its participants under Reliability Standard BAL-002-3. Further, NWPP RSG asserts that balancing authority and reserve sharing group area control error (ACE) measurements differ and, therefore, relying on balancing authority ACE to assess reliability could be misleading. Accordingly, NWPP RSG states that the Commission should clarify the Contingency Event Recovery Period reported by the balancing authority should use the reserve sharing group's ACE values.<sup>42</sup>

34. NWPP RSG also asserts that, because the NERC definition of a Reportable Balancing Contingency Event applies to the responsible entity (the reserve sharing group under Reliability Standard BAL-002-WECC-3), balancing authority members of a reserve sharing group are not the responsible entity. Therefore, each balancing authority should only report for those events that meet the Reportable Balancing Contingency Event threshold for its reserve sharing group.<sup>43</sup>

### **3. Commission Determination**

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<sup>41</sup> *Id.* at 2.

<sup>42</sup> *Id.* at 3.

<sup>43</sup> *Id.*

35. We adopt the NOPR proposal for NERC and WECC to include certain balancing authority-level data in their informational filing. As explained below, we are not persuaded by the comments that oppose the Commission obtaining balancing authority-level data.

36. As explained in the NOPR, obtaining balancing authority-level data will provide the Commission with an understanding of the amount of contingency reserves held by each balancing authority within a reserve sharing group. Although commenters raise concerns that the Commission may misuse or misinterpret the balancing authority-level data, we clarify that the Commission has not proposed and does not intend to use such data for any purpose other than to better understand how contingency reserves are apportioned within reserve sharing groups. The Commission has not proposed and does not intend, for example, to use such data for any compliance purpose or to direct the development of new or modified Reliability Standards.

37. Similarly, we do not agree with the concern that the Commission could misinterpret or draw the wrong conclusions from balancing authority-level data for purposes outside of compliance or development of Reliability Standards. We fully understand that contingency reserves are not equally apportioned within reserve sharing groups, and any conclusions drawn from the informational filing will also consider relevant reserve sharing group data and any analysis of such data that may be provided by NERC and WECC. To be clear, we do not intend to base our understanding of contingency reserves in the Western Interconnection solely, or even primarily, on balancing authority-level data. Moreover, to address NERC and WECC's concern that reporting on United States-based balancing authorities could present an incomplete picture by excluding Canadian balancing authorities, we clarify that NERC and WECC

can identify and explain in the informational filing any discrepancies in the data resulting from some reserve sharing group member balancing authorities being located outside the United States.

38. To address certain questions raised in the comments, we clarify certain aspects of the balancing authority-portion of the informational filing directed in this final action. First, we clarify that the member balancing authority data portion of the data request should be based on each member balancing authority's obligation as a member of its reserve sharing group. This is in keeping with our statement that the Commission intends to examine and compare both member balancing authority and reserve sharing group data. Second, for each balancing authority, NERC and WECC should only report for those events that meet the Reportable Balancing Contingency Event threshold for their respective reserve sharing groups, as suggested by NWPP RSG. The contingency event recovery data can specify individual member balancing authority contingency reserve data plus contingency reserves from the reserve sharing group, if any.

39. Accordingly, we adopt the NOPR proposal and direct NERC and WECC to submit an informational filing 30 months following implementation of regional Reliability Standard BAL-002-WECC-3 containing a report that addresses the adequacy of contingency reserves in the Western Interconnection. We further accept NERC and WECC's plan to make the Commission immediately aware of any adverse impacts resulting from the retirement of Requirement R2, if they become apparent prior to the end of the reporting period, and any corrective actions taken or being considered.

### **III. Information Collection Statement**

40. The FERC-725E information collection requirements contained in this final action are subject to review by the Office of Management and Budget (OMB) under section

3507(d) of the Paperwork Reduction Act of 1995 (PRA).<sup>44</sup> OMB's regulations require approval of certain information collection requirements imposed by agency rules.<sup>45</sup> Upon approval of a collection(s) of information, OMB will assign an OMB control number and an expiration date. Respondents subject to the filing requirements of a rule will not be penalized for failing to respond to these collections of information unless the collections of information display a valid OMB control number.

41. In the NOPR, the Commission solicited comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the burden estimates, ways to enhance the quality, utility, and clarity of the information to be collected or retained, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques. Specifically, the Commission asked that any revised burden or cost estimates submitted by commenters be supported by sufficient detail to understand how the estimates are generated. The Commission did not receive any comments regarding the Commission's burden estimates.

42. The Commission approves regional Reliability Standard BAL-002-WECC-3 (Contingency Reserve), which replaces currently-effective regional Reliability Standard BAL-002-WECC-2a. The principal difference between currently-effective regional Reliability Standard BAL-002-WECC-2a and BAL-002-WECC-3 is the elimination of Requirement R2 from the currently-effective version.

43. Public Reporting Burden: The burden and cost estimates below are based on the need for applicable entities to revise documentation, already required by the current

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<sup>44</sup> 44 U.S.C. 3507(d).

<sup>45</sup> 5 CFR 1320.11.

WECC regional Reliability Standard BAL-002-WECC-2a,<sup>46</sup> to reflect the retirement of Requirement R2 in WECC regional Reliability Standard BAL-002-WECC-3. Our estimates are based on the NERC Compliance Registry as of September 3, 2020, which indicates that 34 balancing authorities, 2 reserve sharing groups, 2 reliability coordinators, 265 generator owners, 256 generator operators, 78 transmission owners and 47 transmission operators are registered within WECC.

44. In addition to the changes identified in this final action, the Commission is adjusting burden estimates for the other WECC regional Reliability Standards in the FERC-725E information collection. These adjustments are warranted based on updates to the number of applicable registered entities that have changed due to normal industry fluctuations (e.g., companies merging or splitting, going into or leaving the industry, or filling more or fewer roles in the NERC Compliance Registry).

45. There are several regional Reliability Standards in the WECC region. These regional Reliability Standards generally require entities to document compliance with substantive requirements, retain documentation, and submit reports to WECC. The following standards will be continuing without change.

- BAL-004-WECC-3 (Automatic Time Error Correction) requires balancing authorities to document that time error corrections and primary inadvertent

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<sup>46</sup> BAL-002-WECC-2 is included in the OMB-approved inventory for FERC-725E. On November 9, 2016, NERC and WECC submitted a joint petition for approval of an interpretation of BAL-002-WECC-2, to be designated BAL-002-WECC-2a. BAL-002-WECC-2a was approved by order in Docket No. RD17-3-000 on January 24, 2017. The Order determined: “The proposed interpretation provides clarification regarding the types of resources that may be used to satisfy Contingency Reserve requirements in regional Reliability Standard BAL-002-WECC-2.” BAL-002-WECC-2a did not trigger the Paperwork Reduction Act and did not affect the burden estimate.

interchange payback were conducted according to the requirements in the standard.

- FAC-501-WECC-2 (Transmission Maintenance) requires transmission owners with certain transmission paths to have a transmission maintenance and inspection plan and to document maintenance and inspection activities according to the plan.
- VAR-501-WECC-3.1 (Power System Stabilizer [PSS])<sup>47</sup> requires generator owners and operators to ensure the Western Interconnection is operated in a coordinated manner by establishing the performance criteria for WECC power system stabilizers.

46. The associated reporting and recordkeeping requirements included in the regional Reliability Standards above are not being revised, and the Commission will be submitting a request to OMB to extend these requirements for three years. The Commission's request to OMB will also reflect the following:

- Implement the regional Reliability Standard BAL-002-WECC-3 (addressed in this final action, Docket No. RM19-20), and
- Adjustments to the burden estimates due to changes in the NERC Compliance Registry for regional Reliability Standards BAL-002-WECC-3 (Contingency

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<sup>47</sup> VAR-501-WECC-3.1 was approved by order in Docket No. RD17-7-000 on September 26, 2017. The August 18, 2017 petition requested Commission approval of errata to mandatory and enforceable regional Reliability VAR-501-WECC-3 (Power System Stabilizer). Because the reporting burden for VAR-501-WECC-3.1 did not increase for entities that operate within the Western Interconnection, FERC submitted the order to OMB for information only. The burden related to VAR-501-WECC-3.1 does not differ from the burden of VAR-501-WECC-3, which is included in the OMB-approved inventory. VAR-501-WECC-3.1 is being included in this document and the Commission's submittal to OMB as part of FERC-725E.

Reserve) and IRO-006-WECC-3 (Qualified Path Unscheduled Flow (USF)

Relief).<sup>48</sup>

47. *Changes Due to Docket No. RM19-20.* The Commission estimates the reduction in the annual public reporting burden for the FERC-725E (due to the retirement of BAL-002-WECC-2a, Requirement R2) as follows:

<b>FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council, Reductions Due to Docket No. RM19-20</b>					
<b>Information Collection Requirements and Entity</b>	<b>Number of Respondents (1)</b>	<b>Annual Number of Responses per Respondent (2)</b>	<b>Total Number of Responses (1)*(2)=(3)</b>	<b>Average Burden Hours &amp; Cost<sup>49</sup> Per Response (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>
Balancing Authorities	0 (no change)	0 (no change)	0 (no change)	0 hrs.; \$0	0 hrs.; \$0

<sup>48</sup> IRO-006-WECC-3 was approved by order in Docket No. RD19-4-000 on May 10, 2019. The March 6, 2019 petition states that WECC revised the regional Reliability Standard to clarify the purpose statement, replace certain defined terms, account for multiple reliability coordinators in the Western Interconnection, and conform the regional Reliability Standard to the current drafting conventions and template. Because the reporting burden for IRO-006-WECC-3 did not increase for entities that operate within the Western Interconnection, FERC submitted the order to OMB for information only. The burden related to IRO-006-WECC-3 does not differ from the burden of IRO-006-WECC-2, which is included in the OMB-approved inventory. IRO-006-WECC-3 is being included in this document and the Commission's submittal to OMB as part of FERC-725E.

<sup>49</sup> The hourly cost (for salary plus benefits) uses the figures from the Bureau of Labor Statistics (BLS) for three positions involved in the reporting and recordkeeping requirements. These figures include salary (based on BLS data for May 2019, [http://bls.gov/oes/current/naics2\\_22.htm](http://bls.gov/oes/current/naics2_22.htm)) and benefits (based on BLS data for December 2019; issued March 19, 2020, <http://www.bls.gov/news.release/eccec.nr0.htm>) and are Manager (Code 11-0000\$97.15/hour), Electrical Engineer (Code 17-2071\$70.19/hour), and File Clerk (Code 43-4071 \$34.79/hour). The hourly cost for the reporting requirements (\$83.67) is an average of the cost of a manager and engineer. The hourly cost for recordkeeping requirements uses the cost of a file clerk.



Years 1 and 2 <sup>50</sup>				(no change)	(no change)
Balancing Authorities Year 3 and Ongoing	34	1	34	1 hr.; \$83.67 (reduction)	34 hrs.; \$2,844.78 (reduction)
<b>SUB-TOTAL, REDUCTION (Due to Docket No. RM19-20) in Year 3 and Ongoing</b>					34 hrs.; \$2,844.78 (reduction)

48. *Adjustments Due to normal industry fluctuations.* The Commission estimates the changes in the annual public reporting burden for the FERC-725E (due to the number of applicable registered entities) as follows:<sup>51</sup>

<b>FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council, Adjustments Due to Normal Industry Fluctuations</b>					
<b>Information Collection Requirements and Entity</b>	<b>Number of Respondents (1)</b>	<b>Annual Number of Responses per Respondent (2)</b>	<b>Total Number of Responses (1)*(2)=(3)</b>	<b>Average Burden Hours &amp; Cost<sup>49</sup> Per Response (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (3)*(4)=(5)</b>
Reliability Coordinators (IRO-006-WECC-3) Reporting Requirement	1 (increase)	1	1	1 hr.; \$83.67 (increase)	1 hr.; \$83.67 (increase)
Reliability Coordinators (IRO-006-WECC-3)	1 (increase)	1	1	1 hr.; \$34.79 (increase)	1 hr.; \$34.79 (increase)

<sup>50</sup> The reduction in burden is zero for the first two years due to the directive in this final action to continue to report hourly contingency reserve data for 24 months.

<sup>51</sup> The number of applicable entities is based on the NERC Compliance Registry as of September 3, 2020.

Record Keeping Requirement					
Reserve Sharing Groups (BAL-002-WECC-3) Reporting Requirement	1 (reduction)	1	1	1 hr.; \$83.67 (reduction)	1 hr.; \$83.67 (reduction)
<b>SUB-TOTAL, (Net Due to Adjustments)</b>					1 hr.; \$34.79 (net change)

49. *Estimate of Continuing Annual Burden for Renewal:*<sup>52</sup> The Commission estimates the annual public reporting burden and cost as follows for FERC-725E. (This information will be submitted to OMB for approval.) These estimates reflect:

- Reliability Standards in FERC-725E which continue and remain unchanged (BAL-004-WECC-3, FAC-501-WECC-2, and VAR-002-WECC-3.1);
- Implement the regional Reliability Standard BAL-002-WECC-3 (addressed in this final action, Docket No. RM19-20-000); and
- Adjustments to the burden estimates for regional Reliability Standards BAL-002-WECC-3 (Contingency Reserve) and IRO-006-WECC-3 (Qualified Path Unscheduled Flow (USF) Relief).

<b>FERC-725E, Mandatory Reliability Standards for the Western Electric Coordinating Council [New and Continuing Information Collection Requirements]</b>						
<b>Entity</b>	<b>No. of Respondents<sup>53</sup> (1)</b>	<b>Annual No. of Responses per Respondent (2)</b>	<b>Annual No. of Responses (1)*(2)=(3)</b>	<b>Average Burden Hrs. &amp; Cost<sup>49</sup> Per Response (\$) (4)</b>	<b>Total Annual Burden Hours &amp; Total Annual Cost (\$) (3)*(4)=(5)</b>	<b>Cost per Respondent (\$) (5)÷(1)=(6)</b>

Reporting Requirements						
Balancing Authorities Years 1 and 2 (BAL-002-WECC-3; BAL-004-WECC-3; IRO-006-WECC-3)	34	1	34	21 hrs.; \$1,757.07	714 hrs.; \$59,740.38	\$1,757.07
Balancing Authorities Year 3 and Ongoing (BAL-002-WECC-3; BAL-004-WECC-3; IRO-006-WECC-3)	34	1	34	20 hrs.; \$1,673.40	680 hrs.; \$56,895.60	\$1,673.40
Reserve Sharing Groups (BAL-002-WECC-3)	2	1	2	1 hr.; \$83.67	2 hrs.; \$167.34	\$83.67
Reliability Coordinators (IRO-006-WECC-3)	2	1	2	1 hr.; \$83.67	2 hrs.; \$167.34	\$83.67
Transmission Owners that operate qualified transfer paths (FAC-501-WECC-2)	5	1	5	40 hrs.; \$3,346.80	200 hrs.; \$16,734.00	\$3,346.80
Generator Owners and/or Operators (VAR-501-WECC-3.1)	291	2	582	1 hr.; \$83.67	582 hrs.; \$48,695.94	\$167.34
<b>Sub-Total for Reporting Requirements in Years 1 and 2</b>			625		<b>1,500 hrs.; \$125,505.00</b>	
<b>Sub-Total for Reporting Requirements in Year 3 &amp; ongoing</b>			625		<b>1,466 hrs.; \$122,660.22</b>	
<b>Recordkeeping Requirements</b>						

Balancing Authorities (BAL-002-WECC-3; BAL-004-WECC-3; IRO-006-WECC-3)	34	1	34	3.1 hrs.; \$107.85	105.4 hrs.; \$3,666.87	\$107.85
Reliability Coordinator (IRO-006-WECC-3)	2	1	2	1 hr.; \$34.79	2 hrs.; \$69.58	\$34.79
Transmission Owner that operate qualified transfer paths (FAC-501-WECC-2)	5	1	5	6 hrs.; \$208.74	30 hrs.; \$1043.70	\$208.74
Generator Owners and/or Operators (VAR-501-WECC-3.1))	291	2	582	0.5 hrs.; \$17.40	291 hrs.; \$10,123.89	\$34.79
<b>Sub-Total for Recordkeeping Requirements</b>			623		<b>428.4 hrs.; \$14,904.04</b>	
<b>TOTAL FOR FERC-725E, IN YR. 1 and YR. 2</b>			1248		<b>1,928.4 hrs.; \$140,409.04</b>	
<b>TOTAL FOR FERC-725E, IN YR. 3 &amp; ONGOING</b>			1248		<b>1,894.4 hrs.; \$137,564.26</b>	

50. Interested persons may obtain information on the reporting requirements by contacting Ellen Brown, Office of the Executive Director, Federal Energy Regulatory Commission, 888 First Street, NE, Washington, DC 20426 via email (DataClearance@ferc.gov) or telephone ((202) 502-8663).

51. The Commission solicits comments on the Commission's need for this information, whether the information will have practical utility, the accuracy of the burden estimates, ways to enhance the quality, utility, and clarity of the information to be

collected or retained, and any suggested methods for minimizing respondents' burden, including the use of automated information techniques.

52. Please send comments concerning the collection of information and the associated burden estimates to: Office of Information and Regulatory Affairs, Office of Management and Budget, 725 17th Street, NW, Washington, DC 20503 [Attention: Desk Officer for the Federal Energy Regulatory Commission]. Due to security concerns, comments should be sent electronically to the following e-mail address:

oira\_submission@omb.eop.gov. Comments submitted to OMB should refer to OMB Control Nos. 1902-0246.

53. Please submit a copy of your comments on the information collections to the Commission via the eFiling link on the Commission's website at <http://www.ferc.gov>. If you are not able to file comments electronically, please send a copy of your comments to: Federal Energy Regulatory Commission, Secretary of the Commission, 888 First Street NE, Washington, DC 20426. Comments on the information collection that are sent to FERC should refer to RM19-20-000.

Title: FERC-725E, Mandatory Reliability Standards-WECC (Western Electric Coordinating Council)

Action: Three-year approval of the FERC-725E information collection requirements, as modified by Docket No. RM19-20-000 and due to normal industry fluctuations.

OMB Control No: 1902-0246 (FERC-725E)

Respondents: Business or other for-profit, and not-for-profit institutions.

Frequency of Responses: One-time.

Necessity of the Information: The regional Reliability Standard BAL-002-WECC-3, would implement the Congressional mandate of the Energy Policy Act of 2005 to

develop mandatory and enforceable Reliability Standards to better ensure the reliability of the nation's Bulk-Power System. Specifically, the proposal ensures that balancing authorities and reserve sharing groups in the WECC Region have the quantity and types of contingency reserve required to ensure reliability under normal and abnormal conditions.

Internal review: The Commission has reviewed regional Reliability Standard BAL-002-WECC-3 and determined that its action is necessary to implement section 215 of the FPA. The Commission has assured itself, by means of its internal review, that there is specific, objective support for the burden estimates associated with the information requirements.

#### **IV. Environmental Analysis**

54. The Commission is required to prepare an Environmental Assessment or an Environmental Impact Statement for any action that may have a significant adverse effect on the human environment.<sup>54</sup> The Commission has categorically excluded certain actions from this requirement as not having a significant effect on the human environment. Included in the exclusion are rules that are clarifying, corrective, or procedural or that do not substantially change the effect of the regulations being amended.<sup>55</sup> The actions finalized here fall within this categorical exclusion in the Commission's regulations.

#### **V. Regulatory Flexibility Act**

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<sup>54</sup> *Regulations Implementing the National Environmental Policy Act of 1969*, Order No. 486, 52 FR 47897 (Dec. 17, 1987), FERC Stats. & Regs. ¶ 30,783 (1987) (cross-referenced at 41 FERC 61,284).

<sup>55</sup> 18 CFR 380.4(a)(2)(ii).

55. The Regulatory Flexibility Act of 1980 (RFA)<sup>56</sup> generally requires a description and analysis of rules that will have significant economic impact on a substantial number of small entities. The Small Business Administration’s (SBA) Office of Size Standards develops the numerical definition of a small entity.<sup>57</sup> These standards are provided in the SBA regulations at 13 CFR 121.201.<sup>58</sup>

56. Under SBA’s size standards,<sup>59</sup> balancing authorities, reserve sharing groups, generator operators, generator owners, transmission owners, and transmission operators all fall under the category of NAICS code 221111-Hydroelectric Power Generation (500) and NAICS code 221118-Other Electric Power Generation (250), with a total size threshold of 750 employees (including the entity and its associates).<sup>60</sup>

57. This final action applies to registered balancing authorities and reserve sharing groups in the NERC Compliance Registry with data submitted to the Energy Information Administration on Form EIA-861 indicating that, of the 36 entities, 34 are registered balancing authorities and two are reserve sharing groups, two may qualify as small entities.<sup>61</sup>

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<sup>56</sup> 5 U.S.C. 601-612.

<sup>57</sup> 13 CFR 121.101.

<sup>58</sup> 13 CFR 121.201. *See also* U.S. Small Business Administration, *Table of Small Business Size Standards Matched to North American Industry Classification System Codes* (effective Feb. 26, 2016), [https://www.ecfr.gov/cgi-bin/text-idx?SID=0ff5f0839abff4eec707b4478ed733c6&mc=true&node=pt13.1.121&rgn=div5#se13.1.121\\_1110](https://www.ecfr.gov/cgi-bin/text-idx?SID=0ff5f0839abff4eec707b4478ed733c6&mc=true&node=pt13.1.121&rgn=div5#se13.1.121_1110).

<sup>59</sup> 13 CFR 121.201.

<sup>60</sup> The threshold for the number of employees indicates the maximum allowed for a concern and its affiliates to be considered small.

<sup>61</sup> The RFA definition of “small entity” refers to the definition provided in the Small Business Act (SBA), which defines a “small business concern” as a business that

58. Using the list from the NERC Compliance Registry (dated September 3, 2020), we estimate that approximately 22 % of those entities are small entities.

59. The Commission estimates that, on average, each of the two affected small entities will have no further ongoing costs after year 3. These figures are based on information collection costs plus additional costs for compliance.

60. The Commission does not consider this to be a significant economic impact for small entities because it should not represent a significant percentage of the operating budget. Accordingly, the Commission certifies that this final action will not have a significant economic impact on a substantial number of small entities. The Commission seeks comment on this certification.

## **VI. Document Availability**

61. In addition to publishing the full text of this document in the *Federal Register*, the Commission provides all interested persons an opportunity to view and/or print the contents of this document via the Internet through the Commission's Home Page (<http://www.ferc.gov>). At this time, the Commission has suspended access to the Commission's Public Reference Room due to the President's March 13, 2020 proclamation declaring a National Emergency concerning the Novel Coronavirus Disease (COVID-19).

62. From the Commission's Home Page on the Internet, this information is available on eLibrary. The full text of this document is available on eLibrary in PDF and

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is independently owned and operated and that is not dominant in its field of operation. See 15 U.S.C. 632 (2006). According to the Small Business Administration, an electric utility is defined as "small" if, including its affiliates, the number of employees indicates the maximum allowed for a concern and its affiliates to be considered small.



Microsoft Word format for viewing, printing, and/or downloading. To access this document in eLibrary, type the docket number excluding the last three digits of this document in the docket number field.

63. User assistance is available for eLibrary and the Commission's website during normal business hours from the Commission's Online Support at 202-502-6652 (toll free at 1-866-208-3676) or email at [ferconlinesupport@ferc.gov](mailto:ferconlinesupport@ferc.gov), or the Public Reference Room at (202) 502-8371, TTY (202)502-8659. E-mail the Public Reference Room at [public.referenceroom@ferc.gov](mailto:public.referenceroom@ferc.gov).

## **VII. EFFECTIVE DATE AND CONGRESSIONAL NOTIFICATION**

64. This final action is effective [insert date 60 days after date of publication in the **Federal Register**]. The Commission has determined, with the concurrence of the Administrator of the Office of Information and Regulatory Affairs of OMB, that this action is not a "major rule" as defined in section 351 of the Small Business Regulatory Enforcement Fairness Act of 1996. This final action is being submitted to the Senate, House, and Government Accountability Office.

By direction of the Commission.

Issued: April 15, 2021.

Kimberly D. Bose,  
Secretary.

